FD-263 (Rev. 1-7-72)

FEDERAL BUREAU OF INVESTIGATION

REPORTING OFFICE	OFFICE OF ORIGIN	DATE	INVESTIGATIVE PERIOD
CHICAGO	CHICAGO	3/12/75	12/16/74 - 1/22/75

TITLE OF CASE

UNSUBS;
OFFERING FOR SALE OF CALECTRO
TIE-CLASP MICROPHONES BY
RADIO SHACK,
CHICAGO, ILLINOIS

REPORT MADE BY: SA [redacted] b6 b7C

TYPED BY: jk

CHARACTER OF CASE: IOC

REFERENCES: WFO reports of SA [redacted] 8/9/74 and 11/29/74. Chicago reports of SA [redacted] 3/22/74 and 12/19/74, all captioned "[redacted] OFFERING FOR SALE CALECTRO TIE-CLASP MICHROPHONES, GERMAN HI-FI CENTER, 930 9th STREET, NW, WASHINGTON, D.C.; IOC; OO: WFO". WFO file 139-205; BU file 139-4637. Chicago airtel to New York, 12/16/74. b6 b7C

- C -

ACCOMPLISHMENTS CLAIMED ☒ NONE					ACQUIT-TALS	CASE HAS BEEN:
CONVIC.	FUG.	FINES	SAVINGS	RECOVERIES		PENDING OVER ONE YEAR ☐ YES ☒ NO PENDING PROSECUTION OVER SIX MONTHS ☐ YES ☒ NO

APPROVED: Richard C. Hollister — SPECIAL AGENT IN CHARGE

DO NOT WRITE IN SPACES BELOW

139-4637-9

MAR 17 1975

MCT-31

C-139

REC-3

EX 104

COPIES MADE:
(2) - Bureau
1 - USA, Chicago (Attn: AUSA [redacted])
1 - WFO (139-205) (Info)
1 - Chicago (139-318)

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Dissemination Record of Attached Report

Agency	1-crim		
Request Recd.			
Date Fwd.	3/28/75		
How Fwd.	OCR		
By	[illegible]		

Notations: SPX DATA PROC

MAR 28 1975

- A -

COVER PAGE

ADMINISTRATIVE

This report is being prepared at the specific request of the Bureau in order to set forth final disposition of captioned matter for future dissemination to the Department of Justice.

For information of the Bureau, captioned investigation was predicated upon a prior investigation which was initiated by the Washington Field Office at the specific request of the Department of Justice. During the course of this WFO origin case, (captioned '[redacted] ETC,; IOC" BU file 139-4637), Chicago Division received 1,964 Calectro Tie-Clasp Microphones, which were voluntarily surrendered by G.C. Electronics, Rockford, Illinois, pursuant to a decision by the Justice Department that the sale and/or advertisement of these microphones constituted violations of Title 18, United States Code, Sections 2512 (1) (b) and Section 2512 (c) (i). At the time these Calectro Tie-Clasp Microphones were being surrendered, the legal firm representing G.C. Electronics, Rockford, Illinois, advised that the following companies also import and market this product (Calectro Tie-Clasp Microphones), or a similar product in the United States:

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Firm Name	Part Number
Veritas Electronic Corporation Farmingdale, New York	V-640
North American Electronics Rockford, Illinois	MA-191
Calrad Imports Hollywood, California	10-27
Radio Shack Chicago, Illinois	33-100

CG 139-318

Instant investigation was initiated regarding Radio Shack of Chicago, Illinois, to determine if this allegation was true.

- C* -

COVER PAGE

FD-204 (Rev. 3-3-59)

UNITED STATES DEPARTMENT OF JUSTICE
FEDERAL BUREAU OF INVESTIGATION

Copy to: 1 - USA, Chicago (ATTN: AUSA [redacted]

Report of: SA [redacted] Office: Chicago b6 b7C
Date: 3/12/75

Field Office File #: 139-318 Bureau File #:

Title: UNKNOWN SUBJECTS;
OFFERING FOR SALE OF CALECTRO
TIE-CLASP MICROPHONES BY RADIO SHACK
CHICAGO, ILLINOIS

Character: INTERCEPTION OF COMMUNICATIONS

Synopsis:

On 12/16/74, information received that Radio Shack of Chicago, Illinois, selling Calectro Tie-Clasp microphones. Sale and/or advertising of this particular microphone (given interstate or foreign commerce elements) considered violation of Title 18, USC, Section 2512 (1)(b)(c)(i) by U. S. Department of Justice. Physical observation and interview at Radio Shack reflects no Calectro Tie-Clasp microphones (or one of similar design) being sold or advertised by Radio Shack. AUSA, Chicago, advised of results of inquiry.

- C -

This document contains neither recommendations nor conclusions of the FBI. It is the property of the FBI and is loaned to your agency; it and its contents are not to be distributed outside your agency.

U. S. GOVERNMENT PRINTING OFFICE : 1970 O - 406-840

DETAILS:

Investigation in this matter was predicated upon the receipt of information on December 16, 1974, indicating that Radio Shack of Chicago, Illinois, was offering for sale a device known as the Calectro Tie-Clasp Microphone. This device was allegedly being sold under Radio Shack part number 33-100.

In this regard, contact was made on January 7, 1975, with Assistant United States Attorney (AUSA) [redacted] who was advised that the FBI had instituted an official inquiry concerning Radio Shack of Chicago, Illinois, and the possibility that this company was offering for sale to the public an item described as the Calectro Tie-Clasp Microphone under Radio Shack part number 33-100. [redacted] advised that he was familiar with the device known as the Calectro Tie-Clasp Microphone. He added that he had conferred with representatives of the United States Department of Justice and had received an opinion from these representatives relative to the device known as the Calectro Tie-Clasp Microphone. In this regard, [redacted] advised that the Justice Department considered the Calectro Tie-Clasp Microphone to be a device, the design of which renders it primarily useful for the surreptitious interception of oral communications and that its possession and sale provided the interstate or foreign commerce elements are present, would constitute a violation of Title 18, United States Code, Section 2512 (1) (b). Further, [redacted] advised that the advertisement of this same device in a catalog distributed interstate would constitute a possible violation of Section 2512 (c) (i) of Title 18, United States Code. In view of this Justice Department opinion, [redacted] stated, that his feeling in this matter was that the FBI should, by investigation, determine if Radio Shack of Chicago, Illinois, is in fact selling Calectro Tie-Clasp Microphones.

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If this is found to be true, officials at Radio Shack should immediately be contacted, advised of the illegal nature of the device in question and arrangements thereafter made for these devices to be collected and turned over to Agents of the FBI [redacted] further instructed that any voluntary turn over of such devices be accompanied by a statement from the corporation acknowledging the Government's seizure of the devices and the reasons therefore, as well as a statement of intent as to future compliance with the above stated sections of Title 18, United States Code. If company compliance is not forthcoming, appropriate notification should be given that forfeiture proceedings and/or criminal prosecution would be instituted by the United States Department of Justice.

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CG 139-318
MVK:jk
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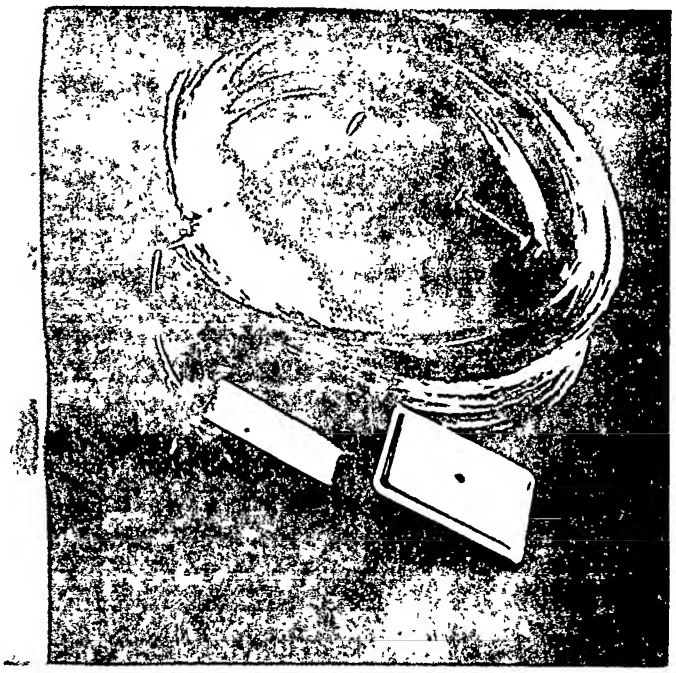
The following is a photograph of a Calectro Tie-Clasp Microphone:



In keeping with the comments of [redacted] the following investigation was conducted in an effort to determine if Radio Shack of Chicago, Illinois, was in fact, selling Calectro Tie-Clasp Microphones to the public:

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CG 139-318
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On January 7, 1975, observation was made by SA [redacted] of various microphones offered for sale at the Radio Shack Store, located at 329 West Madison Street, Chicago, Illinois. At this time, it was noted that, in a microphone display, under Radio Shack part number 33-100, a lapel-type crystal microphone was advertised. This device in no way resembled a tie-clasp but rather appeared to be a conventional microphone although quite small in size. Inquiry of sales personnel in this store indicated that Radio Shack did not sell any microphones which were disguised as or resembled tie-clasps.

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FD-302 (REV. 11-27-70)

FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/15/75

[redacted], Radio Shack, a Tandy Corporation Company, 537 West Roosevelt Road, was advised of the identity of [redacted] and of his office as Special Agent (SA) of the Federal Bureau of Investigation (FBI) by show of credentials. [redacted] was told that the FBI was currently conducting an inquiry to determine whether Radio Shack was offering for sale a certain product which could be described as a Calectro tie-clasp microphone manufactured by Goko Trading Company, Limited, Tokyo, Japan. As background, [redacted] was further advised that information had been received indicating that Radio Shack was in fact, offering this particular device for sale. In addition, [redacted] was told that according to a decision rendered by the United States Department of Justice, the possession or sale of such a device would constitute a violation of Title 18, United States Code (USC), Section 2512 (1) (b). In additon, the advertisement of this same device in any publication distributed interstate would constitute a violation of Title 18, USC, Section 2512 (c) (i). In order to allow [redacted] to effectively provide responses to inquiries in this matter, [redacted] was allowed to view and examine a Calectro tie-clasp microphone provided by SA [redacted]

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Prior to examining the aforementioned microphone, [redacted] advised that he would be most happy to cooperate in the FBI inquiry by answering any questions put to him and by making available any official records of Radio Shack. On examining the item in question, [redacted] stated that he was quite certain that Radio Shack does not now nor has it ever offered for sale a microphone similar or identical to the microphone which he was examining, namely, the Calectro tie-clasp microphone. At this point, [redacted] was told that information had been received indicating that Radio Shack was marketing this product or one very similar to it under Radio Shack part number

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Interviewed on 1/13/75 at Glen Ellyn, Illinois File # CG 139-318

by SA [redacted] cjy Date dictated 1/14/75

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☆ U.S. GPO: 1974-555-294

33-100. [redacted] then obtained from the stock of Radio Shack part number 33-100 which is described as a lapel-type crystal microphone. [redacted] stated that this item, described as part 33-100, is sold for $3.99 at most Radio Shack stores. [redacted] made available a copy of the 1975 electronics catalog issued by Radio Shack and indicated that the lapel-type microphone and other microphones were advertised on page 37 of this publication. This page is reproduced immediately below:

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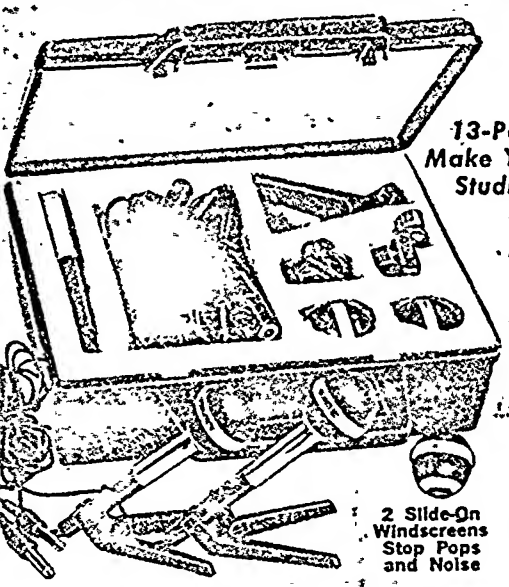
Realistic® Mikes for the Best in "Live Action" Sound.



Complete 13-Pc. System! Make Your Own Studio-Quality Stereo Tapes!

2 Slide-On Windscreens Stop Pops and Noise

2 Table Stands For General Recording Uses

2 6-Ft. Cables with Molded Phone Plug

2 Lavalier Neck Cords for "Live" Performances

2 12-Ft. Cables with Standard Phone Plug

2 Floor Stand Adapters for PA and Stage Uses

The "Everything" Stereo Mike System

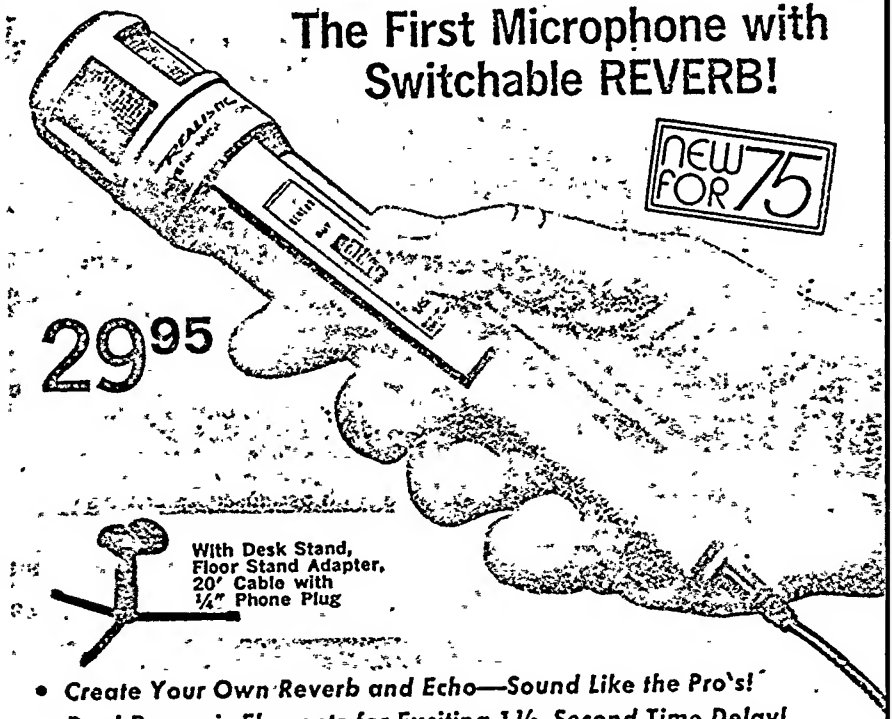
39.95

- *2 Dynamic Cardioid Mikes!*
- *100-10,000 Hz Response!*
- *Switchable Impedance—250 and 10,000 Ohms!*

Realistic PRO-100. The "works"—everything for great recordings with Realistic and most other reel, cassette or 8-track equipment. Fine for PA or radio, too. The fitted 9¾x11x3¾" case holds it all. 33-1024 .....39.95

The First Microphone with Switchable REVERB!

NEW FOR 75



29.95

With Desk Stand, Floor Stand Adapter, 20' Cable with ¼" Phone Plug

- *Create Your Own Reverb and Echo—Sound Like the Pro's!*
- *Dual Dynamic Elements for Exciting 1½-Second Time Delay!*
- *Wide 50-10,000 Hz Response in Normal or Reverb Mode!*

One of the most important microphone developments in years! Now you can create professional audio effects—at the flick of a switch—as you perform. No special, expensive equipment required—it's "THE" mike for vocalists, musicians, standup comedians, all kinds of recordings and PA work. And in normal operation you've got a high-quality omnidirectional mike for everyday use. The lightweight housing has a non-reflecting finish and there's a handy Reverb-Normal switch. Impedance, 200 ohms. Output Level, −80 dB. Self-contained and ready to use—no batteries required. 8" long, 1½" dia. With fitted vinyl case. 33-1049 .....29.95

Low-Cost Replacement Mikes for Every Application

[A] Harmonica Mike. Crystal-contact enhances sound just as more costlier mikes do! Hook up to PA, radio or phono. 33-115 .....2.49

[B] Reel-to-Reel Mike. Mini-plug and coax-type power plug with on-off switch. 200 ohms. 33-1030.....6.95

[C] Lapel-Type Crystal Mike. Sensitive, concealable. 200-3000 Hz. Only ⅞" long, 10' cord, molded mini plug. 33-100 .....3.99

[D] Dynamic Cassette Mike. 150-10,000 Hz. Mini-plug for mike, sub-mini on-off. 33-1034 .....5.49

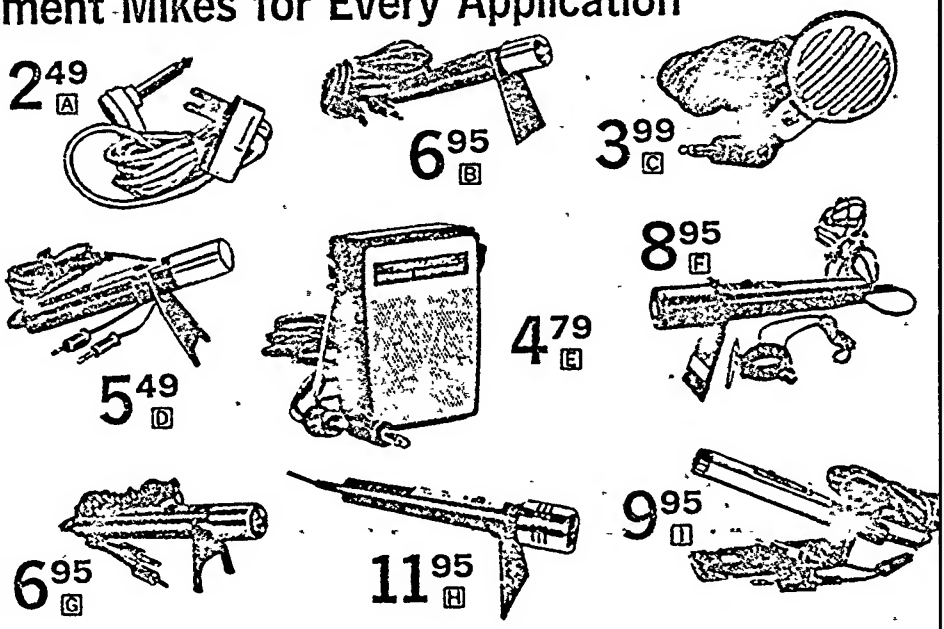
[E] Cassette Mike With Stand. Mini-plug for mike, sub-mini on-off. 200 ohms. 33-1033 .....4.79

[F] Lavalier Dynamic Mike. Pencil-slim. 54" cable, neck cord and stand. Built-in Off/On switch. 4x1". 33-928 .....8.95

[G] For Cassette Portables. Mini-plug for audio; both long, short on-off sub-minis. 33-1031.....6.95

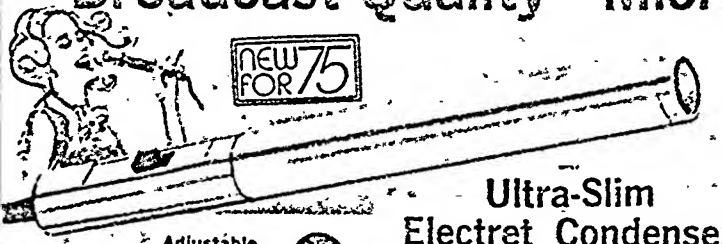
[H] Dynamic Cardioid. 100-11,000 Hz. 1000 ohms. With desk stand, dual plugs. 33-1040 .....11.95

[I] Dynamic Omnidirectional. 100-11,000 Hz. Desk stand, dual plugs, 1000 ohms. 33-1039.....9.95



Over 3000 Radio Shack Stores and Dealers—All 50 States, Over 2000 Cities and Towns

"Broadcast-Quality" Microphones from Radio Shack®



Ultra-Slim Electret Condenser

- *Omnidirectional Pickup!*
- *20-13,000 Hz Response!*

Small and lightweight but it still has fantastic electret performance. Ideal for voice or music. With battery, ¼" plug. 600 ohms. 33-1050 .....15.95

15.95

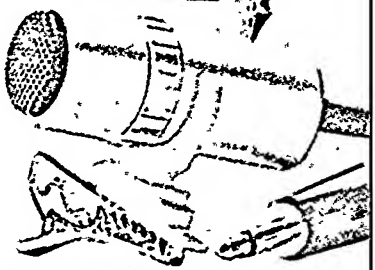
Omnidirectional Tie-Clip Electret Condenser

NEW FOR 75

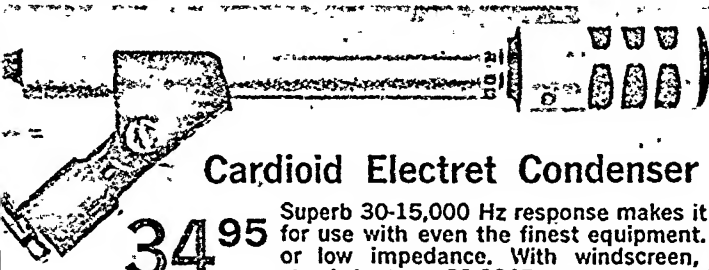
- *Amazing Hi-Fi Mike and It's Just 9/16x1½"*

19.95

Available Nov. 30, 1974



High-quality electret condenser inconspicuous enough to fit almost anywhere. 50-13,000 Hz response. With miniature plug, battery. 600 ohms. 33-1051 .....19.95



Cardioid Electret Condenser

34.95

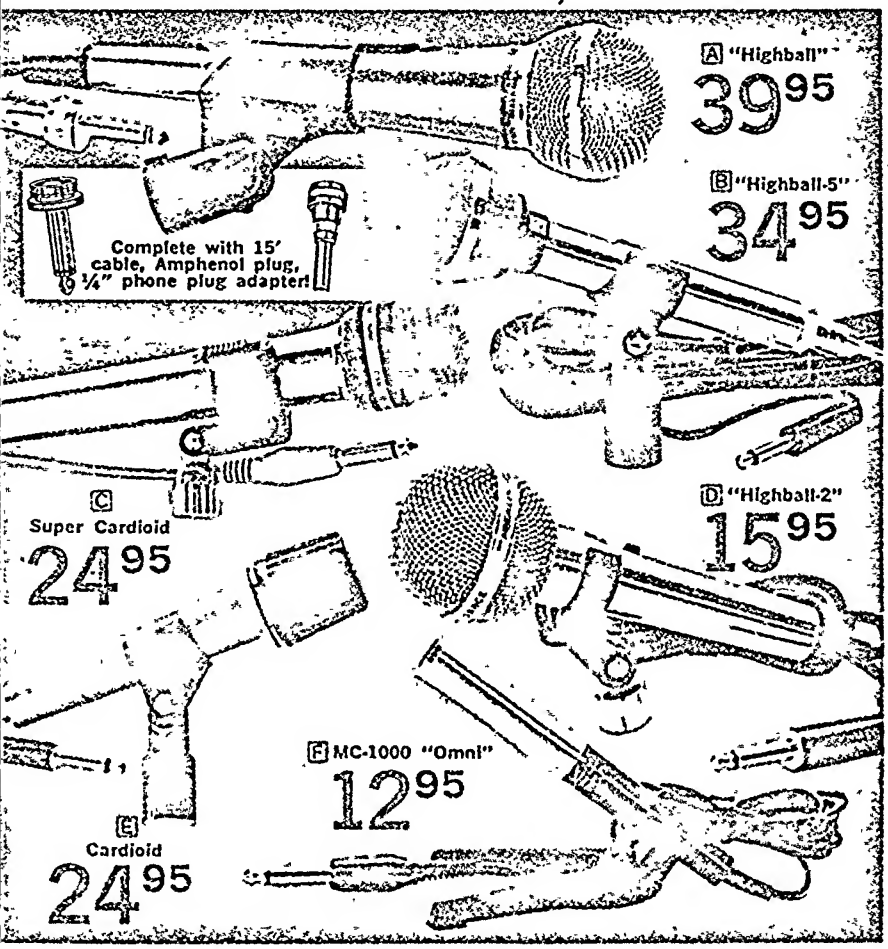
Superb 30-15,000 Hz response makes it ideal for use with even the finest equipment. High or low impedance. With windscreen, desk stand, battery. 33-1045 .....34.95

"Omni" Electret Condenser

Omnidirectional design with real hi-fi sound — 30-15,000 Hz response. High/low impedance. Includes windscreen, desk stand, battery. 33-1044 .....29.95

29.95

For Better Sound, Use Realistic® Dynamic Microphones



A Rugged dual-impedance cardioid features 50-15,000 Hz response — ideal for voice or music. A special filter virtually eliminates squeals, pops and boom. Locking on/off switch, internal impedance change from 50-250 to 50,000 ohms. With cannon connector and stand adapter. 33-983 .....39.95

B General purpose dynamic cardioid microphone with excellent 70-13,000 Hz frequency response. "Quick-change" ¼" phone plug lets you choose 600 or 20,000-ohm impedance. Special filter minimizes annoying boom, pops and squeals. Complete with 15' cable and stand adapter. 33-1042 .....34.95

C Good sound at a budget price! Highly directional cardioid design virtually eliminates feedback. Switching for 600 or 50,000-ohm impedance. Locking on/off switch. 80-12,000 Hz frequency response. Includes mesh screen to minimize wind noise, ¼" phone plug, slip-on stand adapter. 33-992 .....24.95

D An outstanding microphone value! All-purpose "omni" with feedback filter plus wire mesh screen to cut down on pops and boom. Switchable 250 or 50,000-ohm impedance. Locking on/off switch. Complete with 6' cable, ¼" phone plug, convenient slip-on stand adapter. 33-985 .....15.95

E Rejects unwanted sounds — and it's rubber isolated to resist jolts. Ideal for voice recordings or live performances. Switch for 600 or 20,000-ohm impedance. "Pop-proof" design. 85-11,500 Hz frequency response. With ¼" phone plug, stand adapter. 33-1041 .....24.95

F Our lowest-priced dynamic microphone! For voice or music, it's perfect for tape recorders. Handsome "pencil-thin" design for any application — hand-held, stand or lavalier. Complete with desk stand, 6' cable, ¼" phone plug. An ideal replacement. 10,000 ohms. 33-990 .....12.95

Credit Terms to Fit Any Budget — Details at Your Nearby Radio Shack Store

[redacted] again stated that he was quite positive that Radio Shack did not offer any microphone similar to the Calectro tie-clasp microphone. At this time, [redacted] placed a long-distance telephone call to Fort Worth, Texas, the headquarters of both Radio Shack and Tandy Corporation. [redacted] then allowed SA [redacted] to speak with [redacted] who was identified as [redacted] of Radio Shack, whose offices were located at the buying headquarters 2617 West 7th Street, Fort Worth, Texas. After hearing the description of the Calectro tie-clasp microphone, [redacted] advised he could positively state that no such product was offered for sale by any outlet of Radio Shack or Tandy Corporation. He advised that all small microphones sold by Radio Shack were pictured on page 37 of the current catalog and that each and every one of these items was clearly identifiable as a microphone, and was in no way disguised to appear as anything other than a microphone. In further clarifying this statement, [redacted] advised that the microphone described as a harmonica mike and listed as item A on page 37, did not resemble a conventional microphone, however, this item was specifically manufactured to be adaptable to a harmonica and for direct hookup to a P.A. or sound system. [redacted] also advised that although the lapel-type crystal mike manufactured above is described as concealable, this item is in no way camouflaged to appear to be anything other than a microphone.

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[redacted] advised that in view of the provisions of Section 2512 of Title 18, USC, he would notify the Legal Section of Radio Shack so as to insure against any future purchase of items which might be in violation of this section.

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[redacted] again advised that he could state with complete authority that no Radio Shack or Tandy Corporation outlet sold any microphone or listening device similar or identical to the previously described Calectro tie-clasp microphone.

At this point, the interview was terminated.

On January 22, 1975, contact was again made with AUSA [redacted] During the course of this conversation, [redacted] was advised of the results of the FBI inquiry including the details of the interview of [redacted] b6 b7C [redacted] was advised that the FBI inquiry had determined that Radio Shack of Chicago, Illinois, was not, in fact, offering for sale the Calectro Tie-Clasp Microphones or any similar device, nor was it advertising in any interstate publication any device the description and/or construction of which would be in violation of the provisions of Section 2512 (1) (b) or (c) (i) of Title 18, United States Code. Additionally, officials of Radio Shack advised they would cooperate by notifying their legal departments of the provisions of the aforementioned Federal statute so as to preclude the possibility that any device in violation of this law could be purchased or sold by Radio Shack.

[redacted] advised that since the original allegation involving Radio Shack of Chicago, Illinois, was proven to be untrue, no further investigation need be conducted in this matter. b6 b7C